IN THE MATTER OF:

Rockaway Township Wellfield
Superfund Site
Morris County, New Jersey

Alliant Techsystems Inc.

Settling Party

AGREEMENT FOR PAYMENT OF RESPONSE COSTS

DOCKET NO.
CERCLA 02-2002-2010

Proceeding Under
Section 122(h) of
CERCLA

105754

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I. JURISDICTION

1. This Agreement is entered into pursuant to the authority vested in the Administrator of the U.S. Environmental Protection Agency ("EPA") by Section 122(h)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA"), 42 U.S.C. § 6922(h)(1), which authority has been delegated to the Regional Administrators of the EPA by EPA Delegation No. 14-14-D.

2. This Agreement is made and entered into by EPA and Alliant Techsystems, Inc. ("the Settling Party"). The Settling Party consents to and will not contest EPA's jurisdiction to enter into this Agreement or to implement or enforce its terms.

II. BACKGROUND

3. This Agreement concerns the Rockaway Township Wellfield Superfund Site located in Denville and Rockaway Townships, Morris County, New Jersey ("Site"). As shown on Attachment A, the Site encompasses a 185 acre area which includes the Denville Technical Park ("the DTP Facility") and other facilities at which the release of hazardous substances adversely affects the Rockaway Township Wellfield. EPA alleges that the Site is a "facility" as defined by Section 101(9) of CERCLA, 42 U.S.C. § 9601(9).

4. In response to the release or threatened release of hazardous substances at or from the Site, EPA undertook response actions and will continue to take response actions at the Site pursuant to Section 104 of CERCLA, 42 U.S.C. § 9604. These actions included oversight of the initial investigations at the Site and the Remedial Investigations/Feasibility Studies for the contaminated soil and ground water at the Site. EPA prepared and issued the Record of Decision for the groundwater remediation at the Site and reviewed the remedial design documents for the groundwater remedial action. EPA response actions also included various enforcement activities.

5. Data collected during the remedial investigations indicated the presence of hazardous substances in the soil and groundwater including, but not limited to, trichloroethylene and tetrachloroethylene. These substances which are found at the DTP Facility are believed to have migrated to and contaminated the municipal wells in Rockaway Township.

6. In October 1993, EPA issued a Record of Decision in which it selected a remedy for the contaminated groundwater ("OU1"). The remedy included extraction of contaminated groundwater, air

stripping and reinjection of treated groundwater, and replacement of the air stripping system on the Rockaway Township municipal wells. EPA plans to issue a Record of Decision in 2002 selecting a remedy for the contaminated soil at the DTP Facility ("OU2").

7. EPA alleges that the contamination at the DTP Facility is a result of the operations of companies conducting rocket propulsion business activities at that facility. In 1955, Reaction Motors Inc. began operating its rocket propulsion business at the part of the Site now known as the DTP Facility. In 1958, Reaction Motors Inc. was acquired by and merged into the Thiokol Chemical Corporation ("Thiokol"). Thiokol later purchased the DTP Facility and continued the same rocket propulsion business operations there until about 1970. Thiokol sold the DTP Facility in the 1990's.

8. In 1994, Thiokol entered into an Administrative Consent Order ("ACO") with the New Jersey Department of Environmental Protection ("NJDEP"). Pursuant to this ACO, Thiokol and Shell Oil Company, repaired the Rockaway Township Air Stripping System. In 1996, Thiokol entered into another ACO with NJDEP in which it agreed to perform operation and maintenance activities for the Rockaway Township Air Stripping System and to perform remedial actions at the DTP Facility ("1996 NJDEP ACO".)

9. In 1999, Thiokol was renamed Cordant Technologies, Inc. ("Cordant"). Pursuant to the 1996 ACO with NJDEP, Cordant developed the remedial design for the groundwater treatment system and has completed the Remedial Investigation and Feasibility Studies for the soil contamination at the DTP Facility.

10. On August 15, 1999, EPA issued a Notice Letter to Cordant stating that EPA had determined that Cordant was liable for response costs at the Site under Section 107 of CERCLA. EPA also demanded that Cordant pay response costs incurred by EPA through June 23, 1999, in the amount of $308,430.76. The amount of this demand included the costs of preparing and issuing the Record of Decision for OU1, overseeing the RI/FS work and the remedial design of OU1 done at the direction of the State, and other response costs incurred by EPA at the Site.

11. Cordant responded to EPA's demand and asserted that the government's ability to collect costs for overseeing the remedial actions at the Site was limited by the Third Circuit's decision in U.S. v. Rohm and Haas Co., 2 F.3d 1265 (3rd Cir. 1993). Cordant agreed to pay those response costs not subject to the limitations

imposed by the Third Circuit decision and which had not been reimbursed by other parties, plus appropriate interest. EPA revised its demand to exclude those oversight costs addressed by the Rohm & Haas decision and expressly reserved its right to recover these costs in the future if the law should change. Cordant paid the revised demand of $169,357.57 in a timely manner.

12. On September 25, 2000, EPA sent Cordant a demand for $33,065.44 for additional costs incurred through June 17, 2000. Cordant refused to pay those oversight costs addressed by the Rohm & Haas decision. EPA revised its demand to exclude the oversight costs and expressly reserved its rights to those costs. Cordant paid the revised demand in the amount of $27,183.10 in a timely manner.

13. In 2000, Alcoa Corporation acquired Cordant and assumed responsibility for the remedial work at the Site. In April 2001, Alliant Techsystems Inc. ("ATK") purchased from Alcoa all the common stock of Cordant following the divestiture by Cordant of all its assets and liabilities other than those related to its Thiokol rocket propulsion systems business. Alcoa agreed, as a condition of the sale of Cordant, to indemnify ATK for certain environmental liabilities. ATK assumed responsibility for all environmental liabilities at the Site, subject to the terms of the indemnification agreement with Alcoa, including the remedial work at the Site required by the 1996 NJDEP ACO. ATK is the Settling Party to this agreement.

14. In May 2001, September 2001, and January 2002, the Settling Party entered into Tolling Agreements with the United States. Under the terms of these Tolling Agreements, a potential Statute Of Limitations for this matter is tolled until May 31, 2002.

15. On August 30, 2001, EPA sent ATK a demand for $5,504.18 for additional unreimbursed Past Response Costs incurred through June 16, 2001. This amount did not include any oversight costs. ATK paid this amount in a timely manner.

16. EPA incurred and will continue to incur response costs at or in connection with the Site.

17. EPA alleges that Settling Party is a responsible party pursuant to Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), and is jointly and severally liable for response costs incurred at or in connection with the Site.

18. EPA and Settling Party desire to resolve Settling Party's alleged civil liability for all unreimbursed Past Response Costs, including Past Oversight Costs, and liability for Additional Response Costs, without litigation and without the admission or adjudication of any issue of fact or law.

III. PARTIES BOUND

19. This Agreement shall be binding upon and inure to the benefit of EPA and Settling Party and its successors. Any change in ownership or corporate or other legal status of the Settling Party, including but not limited to, any transfer of assets or real or personal property, shall in no way alter the Settling Party's responsibilities under this Agreement. Each signatory to this Agreement certifies that he or she is authorized to enter into the terms and conditions of this Agreement and to bind legally the party represented by him or her.

IV. DEFINITIONS

20. Unless otherwise expressly provided herein, terms used in this Agreement which are defined in CERCLA or in regulations promulgated under CERCLA shall have the meaning assigned to them in CERCLA or in such regulations. Whenever terms listed below are used in this Agreement or in any appendix attached hereto, the following definitions shall apply:

a. "Additional Response Costs" shall mean all costs incurred by EPA after June 16, 2001, for "Response Costs" at the Site, which are not "Future Oversight Costs". "Additional Response Costs" include, but are not limited to, legal costs and costs associated with access issues, dispute resolution, selection of additional remedies at the Site, enforcement and records maintenance.

b. "CERCLA" shall mean the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. § 9601, et seq.

c. "Agreement" shall mean this Agreement and any attached appendices. In the event of conflict between this Agreement and any appendix, the Agreement shall control.

d. "Day" shall mean a calendar day. In computing any period of time under this Agreement, where the last day would fall on a Saturday, Sunday, or federal holiday, the period shall run until the close of business of the next working day.

e. "EPA" shall mean the United States Environmental Protection Agency and any successor departments, agencies or instrumentalities of the United States.

f. "Future Oversight Costs" shall mean those response costs incurred by EPA and its contractors in monitoring and supervising the response actions at the Site performed by the Settling Party after June 16, 2001. Future Oversight Costs shall be those costs incurred by EPA's technical staff and its contractors in reviewing plans, reports and other documents submitted pursuant to the conduct of work under the Administrative Orders issued by the State, as well as observations and evaluations of work done at the Site. Future Oversight Costs do not include legal costs and costs associated with access issues, dispute resolution, enforcement and records maintenance.

g. "Interest" shall mean interest at the current rate specified for interest on investments of the Hazardous Substance Superfund established by 26 U.S.C. § 9507, compounded annually on October 1 of each year, in accordance with 42 U.S.C. § 9607(a).

h. "OU1" or "First Operable Unit" shall mean the investigative and remedial work conducted or planned for the Site, as described and identified in the 1993 Record of Decision.

i. "OU2" or "Second Operable Unit" shall mean the investigative and remedial work related to the soil contamination at the DTP Facility.

j. "Paragraph" shall mean a portion of this Agreement identified by an arabic numeral or a lower case letter.

k. "Parties" shall mean EPA and the Settling Party.

l. "Past Response Costs" shall mean all costs, including but not limited to direct and indirect costs and oversight costs, that EPA has incurred at or in connection with the Site on or prior to June 16, 2001, plus accrued Interest on all such costs through such date. Past Response Costs include those oversight costs incurred by EPA technical staff and its contractors in reviewing plans, reports and other documents submitted pursuant to the conduct of work under the Administrative Orders issued by the State, as well as observations and evaluations of work done at the Site.

m. "Response Costs" shall mean all costs addressed in Section 107(a)(4) of CERCLA, 42 U.S.C. § 9607(a)(4), and further defined and explained in Section 101 of CERCLA, 42 U.S.C. § 9601.

n. "Section" shall mean a portion of this Agreement identified by a roman numeral.

o. "Settling Party" shall mean Alliant Techsystems Inc. ("ATK"), whose principal place of business is 5050 Lincoln Drive, Edina, Minnesota 55436.

p. "Site" shall mean the Rockaway Township Wellfield Superfund site, encompassing approximately 185 acres, in Denville and Rockaway Townships, Morris County, New Jersey. The Site shall also mean any real property in the area of the Site onto which or under which hazardous substances have migrated.

q. "United States" shall mean the United States of America, including it departments, agencies and instrumentalities.

V. REIMBURSEMENT OF RESPONSE COSTS

21. Settling Party shall reimburse EPA for Additional Response Costs not inconsistent with the National Contingency Plan. When Additional Response Costs are incurred, EPA will periodically send Settling Party bills requiring payment. Each bill will include a SCORPIO$ Report, which includes direct and indirect costs incurred by EPA and its contractors. Upon written request, EPA will provide Settling Party with a cost package prepared by EPA's finance department consisting of payroll time and travel sheets which have been redacted to remove information subject to the Privacy Act, 5 U.S.C. § 552A et seq. EPA may provide additional cost information in response to a reasonable request from the Settling Party. Settling Party shall make all payments within 30 days of receipt of each bill requiring payment, except as otherwise provided in Section VI (Resolution of Disputes Concerning Payment of Additional Response Costs).

22. Settling Party shall make all payments to EPA pursuant to Paragraph 21 via EFT to Mellon Bank, Pittsburgh, Pennsylvania, as follows: Settling Party shall provide the following information to their bank: (i) Amount of Payment; (ii) Title of Mellon Bank Account to receive the payment: EPA; (iii) Account Code for Mellon Bank Account receiving the payment: 9108544; (iv) Mellon Bank ABA Routing Number: 043000261; (v) Name of Settling Defendant; (vi) Docket Number CERCLA 02-2001-2134; and(viii) Site/Spill Identifier: 02-63.

23. At the time of payment, one of the representative of the Settling Party, as designated in Paragraph 56, shall send notice that such payment has been made to:

Rockaway Township Wellfield Superfund Site Attorney
Office of Regional Counsel
U.S. EPA Region II
290 Broadway, 17th Floor
New York, NY 10007-1866

Chief, New Jersey Remediation Branch
Emergency and Remedial Response Division
U.S. EPA Region II
290 Broadway - 19th Floor
New York, NY 10007-1866

Chief, Financial Management Branch
U.S. EPA Region II
290 Broadway - 29th Floor
New York, NY 10007-1866

VI. RESOLUTION OF DISPUTES WITH SETTLING PARTY CONCERNING PAYMENT OF ADDITIONAL RESPONSE COSTS

24. The dispute resolution procedures set forth in this Section shall be the exclusive mechanism for resolving disputes regarding Settling Party's obligation to reimburse EPA for Additional Response Costs. The dispute resolution procedures in this Section are limited to disputes regarding recovery of Additional Response Costs. Nothing in this Section shall be deemed to create a right to pre-enforcement review or dispute resolution of response actions taken or to be taken by EPA at the Site. The procedures set forth in this Section shall not apply to actions by the United States to enforce obligations of the Settling Party that have not been disputed in accordance with this Section, or to enforce the resolution of a dispute reached in accordance with this Section.

25. Settling Party may only contest payment of Additional Response Costs if it determines that EPA has made an accounting error or if the Settling Party alleges that a cost item that is included represents costs that are not included within the definition of Additional Response Costs or are for response actions not consistent with the National Contingency Plan.

26. Any objection to the request for payment of Additional

Response Costs shall be made in writing by Settling Party within 30 days of receipt of the bill requiring the payment and must be sent to EPA pursuant to Section XIII (Notices and Submissions). Any such objection (hereinafter referred to as the "Notice of Objection") shall specifically identify the contested Additional Response Costs and the basis for objection.

27. In the event of an objection to some but not all Additional Response Costs billed, Settling Party shall, within 30 days of receipt of the bill requiring payment, pay all uncontested amounts to EPA in accordance with the instructions in Paragraph 22.

28. Within 30 days of receipt of the bill requiring payment, Settling Party shall establish an interest-bearing escrow account in a federally-insured bank duly chartered in the State of New York and remit to that escrow account funds equivalent to the amount of the contested portion of the Additional Response Costs billed. Within 10 days of opening the escrow account, Settling Party shall send to EPA a copy of the correspondence that establishes and funds the escrow account, including, but not limited to, information containing the identity of the bank and bank account under which the escrow account is established as well as a bank statement showing the initial balance of the escrow account. The escrow account requirement set forth in this paragraph shall only apply if the disputed amount exceeds $10,000.

29. Any dispute with respect to Additional Response Costs shall in the first instance be the subject of informal negotiations between EPA and Settling Party. The period for informal negotiations shall not exceed 20 days from EPA's receipt of the Notice of Objection, unless such time limit is modified by written agreement of EPA and Settling Party. If the dispute is resolved by informal negotiations, the agreement shall be reduced to writing, which, upon signature by EPA and Settling Party, shall be incorporated into and become an enforceable part of this Agreement. Within 10 days of the execution of the agreement, Settling Party shall pay to EPA from the escrow account, if an escrow account is required under Paragraph 28, any amount owed to EPA pursuant to the written agreement, plus Interest on such amount that has accrued between the date that payment was due under Paragraph 21 (Payment of Additional Response Costs) through the date of payment.

30. If the dispute is not resolved by informal dispute resolution, the position advanced by EPA shall be considered binding unless Settling Party, within 20 days after the conclusion

of the informal dispute resolution period, commence formal dispute resolution by serving on the United States a Notice of Formal Dispute Resolution along with a written Statement of Position on the matter in dispute, which shall include, but not be limited to, any factual data, analysis or opinion supporting that position and any supporting documentation relied upon by Settling Party.

31. Within 45 days after receipt of Settling Party Statement of Position, EPA shall serve on Settling Party its Statement of Position, including but not limited to, any factual data, analysis, or opinion supporting that position and all supporting documentation relied upon by EPA. Within 30 days after receipt of EPA's Statement of Position, Settling Party may submit a Reply.

32. Formal dispute resolution for disputes pertaining to payment of Additional Response Costs shall be on the administrative record created for the purpose of resolving the dispute. EPA shall maintain an administrative record of the dispute, which shall include the disputed bill and cost summary sent by EPA to Settling Party, the Notice of Objection served by Settling Party, the Notice of Formal Dispute Resolution, the Statements of Position, including supporting documentation, and Settling Party's Reply, if any, submitted pursuant to this Paragraph.

33. The Director of the Emergency and Remedial Response Division, EPA Region II, will issue a final administrative decision resolving the dispute based upon the administrative record. This decision shall be binding upon Settling Party.

VII. FAILURE TO COMPLY WITH AGREEMENT

34. In the event that any payment required by Paragraph 21 is not made when due, Interest shall continue to accrue on the unpaid balance through the date of payment.

35. If any amounts due to EPA under Paragraph 21 are not paid by the required date, Settling Party shall pay to EPA, as a stipulated penalty, in addition to the Interest required by Paragraph 34, $200 per violation per day that such payment is late.

36. Stipulated penalties are due and payable within 30 days of the date of receipt by either representative of the Settling Party, as designated in paragraph 56, of a written demand for payment of the penalties. All payments to EPA under this Paragraph shall be identified as "stipulated penalties" and shall made in

accordance with Paragraph 22 above.

37. Penalties shall accrue as provided above regardless of whether EPA has notified the Settling Party of the violation or made a demand for payment, but need only be paid upon demand. All penalties shall begin to accrue on the day after performance is due, or the day a violation occurs, and shall continue to accrue through the final day of correction of the noncompliance or completion of the activity. Nothing herein shall prevent the simultaneous accrual of separate penalties for separate violations of this Agreement.

38. In addition to the Interest and Stipulated Penalty payments required by this Section and any other remedies or sanctions available to EPA by virtue of Settling Party's failure to comply with the requirements of this Agreement, if Settling Party fails or refuses to comply with any term or condition of this Agreement it shall be subject to enforcement action pursuant to Section 122(h)(3) of CERCLA, 42 U.S.C. § 9622(h)(3). If the United States, on behalf of EPA, brings an action to enforce this Agreement, Settling Party shall reimburse the United States for all costs of such action, including, but not limited to, costs of attorney time. If the United States, on behalf of EPA, files with any Court a complaint or other application for any payment required under this Agreement and (1) the United States thereafter receives a payment, or (2) an order directing payment of any portion of the amount sought by the complaint or other application, or (3) the action is settled in a manner in which the United States receives any portion of the amount sought, Settling Party shall reimburse the United States for all costs arising from preparation of and filing of the complaint, application or action, including, but not limited to, costs of attorney time.

39. Notwithstanding any other provision of this Section, EPA may, in its unreviewable discretion, waive payment of any portion of the stipulated penalties that have accrued pursuant to this Agreement.

VIII. COVENANT NOT TO SUE BY EPA

40. Except as specifically provided in Paragraph 41 (Reservations of Rights by EPA), EPA covenants not to sue Settling Party pursuant to Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), to recover Past Response Costs, or to recover Additional Response Costs which have been paid pursuant to Section V. This covenant shall take effect upon receipt by EPA of all amounts required by

Section V (Reimbursement of Response Costs) and Section VII, Paragraphs 34 (Interest on Late Payments) and 35 (Stipulated Penalty for Late Payment). This covenant not to sue is conditioned upon the satisfactory performance by Settling Party of its obligations under this Agreement. This covenant not to sue extends only to Settling Party and does not extend to any other person.

IX. RESERVATIONS OF RIGHTS BY EPA

41. The covenant not to sue by EPA set forth in Paragraph 40 does not pertain to any matters other than those expressly identified therein. EPA reserves, and this Agreement is without prejudice to, all rights against Settling Party with respect to all other matters, including but not limited to:

a. liability for failure of Settling Party to meet a requirement of this Agreement;

b. liability for costs incurred or to be incurred by the United States that are not within the definition of Past Response Costs or those within the definition of Additional Response Costs but which have not been paid, including Future Oversight Costs;

c. liability for injunctive relief or administrative order enforcement under Section 106 of CERCLA, 42 U.S.C. § 9606;

d. criminal liability; and

e. liability for damages for injury to, destruction of, or loss of natural resources, and for the costs of any natural resource damage assessments.

42. Nothing in this Agreement is intended to be nor shall it be construed as a release, covenant not to sue, or compromise of any claim or cause of action, administrative or judicial, civil or criminal, past or future, in law or in equity, which the United States may have against any person, firm, corporation or other entity not a signatory to this Agreement.

43. Nothing in this Agreement is intended to limit the ability of EPA to require the Settling Party to conduct additional investigations or to perform remedial work at the Site under Section 106 of CERCLA.

X. COVENANT NOT TO SUE BY SETTLING PARTY

44. Settling Party agrees not to assert any claims or causes of action against the United States, or its contractors or employees, with respect to Past Response Costs, Additional Response Costs or this Agreement, including but not limited to:

a. any direct or indirect claim for reimbursement from the EPA Hazardous Substance Superfund established by 26 U.S.C. § 9507, based on Sections 106(b)(2), 107, 111, 112, or 113 of CERCLA, 42 U.S.C. §§ 9606(b)(2), 9607, 9611, 9612, or 9613, or any other provision of law;

b. any claims arising out of the response actions at the Site for which the Past Response Costs were incurred or Additional Response Costs are to be incurred; and

c. any claim against the United States pursuant to Sections 107 and 113 of CERCLA, 42 U.S.C. §§ 9607 and 9613, relating to Past Response Costs, including Past Oversight Costs or Additional Response Costs.

45. In any subsequent administrative or judicial proceeding initiated by EPA, or by the United States on behalf of EPA, for injunctive relief, recovery of response costs, or other appropriate relief relating to the Site, Settling Party shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, collateral estoppel, issue preclusion, claim-splitting, or other defenses based upon any contention that the claims raised in the subsequent proceeding were or should have been brought in the instant case; provided, however, that nothing in this Paragraph affects the enforceability of the covenant not to sue by EPA set forth in Paragraph 40.

46. In any subsequent administrative or judicial proceeding initiated by EPA, or by the United States on behalf of EPA, for injunctive relief, recovery of response costs, or other appropriate relief relating to the Site, Settling Party agrees not to assert any defense that a statutory limitations period has expired under Section 113(g)(2) of CERCLA, 42 U.S.C. § 9613(g)(2), or other federal statute. This waiver of a statute of limitations defense shall not apply to an action brought by the United States to recover response costs or damages relating to natural resources under Section 107(a)(4)(C) of CERCLA, 42 U.S.C. § 9607(a)(4)(C).

47. Nothing in this Agreement shall be deemed to co[illegible]

approval or preauthorization of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611, or 40 C.F.R. 300.700(d).

48. Settling Party agrees not to assert any claims and to waive all claims or causes of action that they may have for all matters relating to the Site, including for contribution, against any person where the person's liability to Settling Party with respect to the Site is based solely on having arranged for disposal or treatment, or for transport for disposal or treatment, of hazardous substances at the Site, or having accepted for transport for disposal or treatment of hazardous substances at the Site, if:

a. the materials contributed by such person to the Site containing hazardous substances did not exceed the greater of (i) 0.002% of the total volume of waste at the Site, or (ii) 110 gallons of liquid materials or 200 pounds of solid materials.

b. The waiver in this Paragraph shall not apply to any claim or cause of action against any person meeting the above criteria if EPA has determined that the materials contributed to the Site by such person contributed or could contribute significantly to the costs of response at the Site. The waiver in this Paragraph 48 also shall not apply with respect to any defense, claim, or cause of action that Settling Party may have against any person if such person asserts a claim or cause of action relating to the Site against Settling Party.

XI. EFFECT OF SETTLEMENT/CONTRIBUTION PROTECTION

49. Nothing in this Agreement shall be construed to create any rights in, or grant any cause of action to, any person not a Party to this Agreement. EPA and Settling Party each reserve any and all rights (including, but not limited to, any right to contribution,) defenses, claims, demands, and causes of action which each Party may have with respect to any matter, transaction, or occurrence relating in any way to the Site against any person not a Party hereto.

50. EPA and Settling Party agree that the actions undertaken by Settling Party in accordance with this Agreement do not constitute an admission of any liability by the Settling Party. Settling Party does not admit, and retains the right to controvert in any subsequent proceedings other than proceedings to implement or enforce this Agreement, the validity of the facts or allegations contained in Section II of this Agreement.

51. The Parties agree that Settling Party is entitled, as of the effective date of this Agreement, to protection from contribution actions or claims as provided by Sections 113(f)(2) and 122(h)(4) of CERCLA, 42 U.S.C. §§ 9613(f)(2) and 9622(h)(4), for "matters addressed" in this Agreement. The "matters addressed" in this Agreement are Past Response Costs and Additional Response Costs which have been paid.

52. Settling Party agrees that with respect to any suit or claim for contribution brought by it for matters related to this Agreement, it will notify EPA in writing no later than 60 days prior to the initiation of such suit or claim. Settling Party also agrees that, with respect to any suit or claim for contribution brought against it for matters related to this Agreement, it will notify EPA in writing within 10 days of service of the complaint or claim upon it. In addition, Settling Party shall notify EPA within 10 days of service or receipt of any Motion for Summary Judgment and within 10 days of receipt of any order from a court setting a case for trial, for matters related to this Agreement.

XII. RETENTION OF RECORDS

53. a. Settling Party shall preserve and retain, for ten years after the completion of each of the response actions, OU1 and OU2, all records and documents now in its possession or control, or which come into its possession or control, that relate in any manner to each response action at the Site. Completion of each response action shall occur when EPA has approved the final Remedial Action Report for that operable unit has been approved.

b. Settling Party shall preserve and retain, until ten years after the effective date of this Agreement, all records and documents now in its possession or control, or which come into its possession or control, that relate in any manner to the liability of any person for response actions conducted and to be conducted at the Site, regardless of any corporate retention policy to the contrary.

54. After the conclusion of the document retention periods in the preceding paragraph, Settling Party shall notify EPA at least 90 days prior to the destruction of any such records or documents, and, upon request by EPA, Settling Party shall deliver any such records or documents to EPA. Settling Party may assert that certain documents, records, or other information are privileged under the attorney-client privilege or any other privilege recognized by

federal law. If Settling Party asserts such a privilege, it shall provide EPA with the following: 1) the title of the document, record, or information; 2) the date of the document, record, or information; 3) the name and title of the author of the document, record, or information; 4) the name and title of each addressee and recipient; 5) a description of the subject of the document, record, or information; and 6) the privilege asserted. However, no documents, reports, or other information created or generated pursuant to the requirements of this or any other judicial or administrative settlement with the United States shall be withheld on the grounds that they are privileged. If a claim of privilege applies only to a portion of a document, the document shall be provided to EPA in redacted form to mask the privileged information only. Settling Party shall retain all records and documents that they claim to be privileged until EPA has had a reasonable opportunity to dispute the privilege claim and any such dispute has been resolved in Settling Party's favor.

55. By signing this Agreement, Settling Party certifies that, to the best of its knowledge and belief, it and its predecessors have:

a. not altered, mutilated, discarded, destroyed or otherwise disposed of any records, documents or other information relating to its potential liability regarding the Site, after notification of potential liability or the filing of a suit against the Settling Party regarding the Site; and

b. fully complied with all EPA requests, if any, for information regarding the Site pursuant to Sections 104(e) and 122(e) of CERCLA, 42 U.S.C. §§ 9604(e) and 9622(e), and Section 3007 of the Resource, Conservation and Recovery Act, 42 U.S.C. § 6927.

XIII. NOTICES AND SUBMISSIONS

56. Whenever, under the terms of this Agreement, notice is required to be given or a document is required to be sent by one Party to another, it shall be directed to the individuals at the addresses specified below, unless those individuals or their successors give notice of a change to the other Party in writing. Written notice as specified herein shall constitute complete satisfaction of any written notice requirement of this Agreement with respect to EPA and Settling Party.

As to EPA:

Rockaway Township Wellfield Superfund Site Attorney
Office of Regional Counsel
U.S. EPA Region II
290 Broadway, 17th Floor
New York, NY 10007-1866

Chief, New Jersey Remediation Branch
Environmental Emergency and Remedial Response Division
U.S. EPA Region II
290 Broadway - 19th Floor
New York, NY 10007-1866

As to Settling Party:

Caren M. Fitzgerald, Associate General Counsel
Alliant Techsystems, Inc.
5050 Lincoln Drive
Edina, Minnesota 55436

and

David Gosen
Alliant Techsystems, Inc.
5050 Lincoln Drive
Edina, Minnesota 55436

XIV. INTEGRATION

57. This Agreement constitutes the final, complete and exclusive agreement and understanding among the Parties with respect to the settlement embodied in this Agreement. The Parties acknowledge that there are no representations, agreements or understandings relating to the settlement other than those expressly contained in this Agreement.

XV. PUBLIC COMMENT

58. This Agreement shall be subject to a public comment period of not less than 30 days pursuant to Section 122(i) of CERCLA, 42 U.S.C. § 9622(i). In accordance with Section 122(i)(3) of CERCLA, EPA may modify or withdraw its consent to this Agreement if comments received disclose facts or considerations which indicate that this Agreement is inappropriate, improper or inadequate.

XVI. ATTORNEY GENERAL APPROVAL

59. The Attorney General or his designee has approved the settlement embodied in this Agreement in accordance with Section 122(h)(1) of CERCLA, 42 U.S.C. § 9622(h)(1).

XVII. EFFECTIVE DATE

60. The effective date of this Agreement shall be the date upon which EPA issues written notice that the public comment period pursuant to Paragraph 58 has closed and that comments received, if any, do not require modification of or EPA withdrawal from this Agreement.

IT IS SO AGREED:

U.S. Environmental Protection Agency

By: _____ 5/6/02
Jane M. Kenny Date
Regional Administrator

THE UNDERSIGNED SETTLING PARTY enters into this Agreement in the matter of CERCLA 02-2002-2010, relating to the Rockaway Township Wellfield Superfund Site in Morris County, New Jersey.

FOR SETTLING PARTY: Alliant Techsystems Inc.
[Name]

5050 Lincoln Drive

Edina, MN 55436
[Address]

By: _____ 4-26-2002
[Name] [Date]

Michael S. Robbinson
Vice President
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